



## Topic briefing: Starter Tenancies

This briefing aims to generate some discussion around this topic and to give some guidance from the Homelessness Action Team on how to set up schemes that meet existing positive practice. We can also provide practical examples from the following organisations:

Organisation	Contact
Hyde Housing Group	Karen Birch
Devon & Cornwall Housing Group	Fran Esau
Presentation Housing Association	David Watson
Swan Housing Group	Andrea O'Callaghan

### Introduction

One of the issues that the Homelessness Action Team discusses with housing associations is the effective use of starter tenancies and the impact on tenancy sustainment and eviction levels. It is becoming increasingly popular for associations to use starter tenancies as part of a comprehensive strategy to deal with anti social behaviour. If used effectively they can be a tool to support tenants in their homes and reduce the incidence of repeat homelessness. They can also provide a cheap and effective way of re-possessing the homes of the small minority of tenants who are unable or unwilling to manage their tenancy successfully. The key is to get in place good policies and procedures so the right balance is struck between support and action.

We are keen to see some good examples of approaches that are successful. If you have such an approach please contact us at [hatenquiries@housingcorp.gsx.gov.uk](mailto:hatenquiries@housingcorp.gsx.gov.uk).

### What is a starter tenancy?

Starter tenancies can only be used for new assured tenants. A starter tenancy is a periodic assured shorthold tenancy that runs initially for a period of twelve months. Provided that the tenancy is conducted satisfactorily it will automatically default after twelve months and become an assured tenancy.

A tenant with a starter tenancy who has continuously broken the conditions of their tenancy agreement can be evicted by way of the standard assured shorthold tenancy grounds. This means that the landlord must give the tenant two months written notice under Section 21 of the Housing Act 1988. Where the tenant fails to leave the property, the landlord may then pursue possession under the accelerated possession procedure.

Starter tenancies can be used to target specific problems on housing schemes or in a defined geographical area or across their whole stock.

In setting up starter tenancies landlords must consult their tenants and their local authority partners and inform the Housing Corporation.

16th July 2008

Tenants on a starter tenancy will broadly have the same rights as on an assured tenancy in areas such as:

- Right to repair
- Right to succession
- Right to be consulted

but will not have the:

- Right to take in lodgers
- Right to improve or claim compensation for improvements
- Right to exchange
- Right to acquire

Tenants on starter tenancies will also need to keep to the other terms of their tenancy agreement in the same way as assured tenants. The difference is they do not have the same security of tenure afforded by a secure or assured tenancy.

The procedures that accompany the starter tenancy policies should:

- be part of a comprehensive strategy to deal with ASB
- provide the framework for housing staff to deliver a more intensive package of "guidance and support" for tenants in the early stages of their housing careers to improve the chances of a successful outcome;
- include a process which regularly assesses and responds to the tenant's management of their home and is clear on the tenants responsibilities.
- Has a series of checks and balances and an appeals process to ensure that eviction is used as a last resort

Many landlords go beyond tenancy sustainment support and have developed initiatives that address wider housing reform priorities like money management and worklessness. It also gives housing associations the opportunity to clearly set out the rights and responsibilities of both tenants and landlords.

During the initial twelve months the tenancy should be monitored and an assessment made at various milestones during this period on the need to take action by providing more support, extend the tenancy or issue a section 21 Notice. Most associations have built in an appeals process at the end of this process with their senior managers or board members.

## The legal & regulatory framework

Introductory tenancies were introduced in 1997 under Part V of the Housing Act 1996 but were only available to local authorities. In 1999 the Housing Corporation gave authority to RSLs to use starter tenancies, which operate along similar lines to Introductory tenancies but are based on an initial Assured Shorthold tenancy being converted into an Assured Non-Shorthold tenancy on successful completion of a probationary period. The introduction of Starter Tenancies was one of a number of initiatives brought in by the government to support providers in tackling anti-social behaviour.

There is limited reference to the use of starter tenancies within the Housing Corporation's regulatory framework but it is important to base your approach on the regulatory requirements.

The Housing Corporation **Regulatory Code** states that housing associations must provide good quality housing services for residents and prospective residents by:

- **3.5.2** offering the most secure form of tenure compatible with the purpose of the housing and the sustainability of the community;
- **3.5.3** with agreements that clearly sets out resident's and landlord's rights and obligations;
- **3.5.4** by being responsive to the individual characteristics and circumstances of residents

The **guidance** provided with the Regulatory Code states:

- Services are shaped around customers needs
- Legal repossession is sought as last resort
- Strategies are in place to tackle anti-social behaviour
- Vulnerable and marginalised tenants are provided with appropriate responsive housing services. Support and care arrangements (including liaison with other agencies) are in place where appropriate.
- Applicants are excluded from consideration for housing only when their unacceptable behaviour is serious enough to make them unsuitable to be a tenant and only in circumstances that they are not unlawfully discriminating.

The Housing Corporation builds on this regulatory base through **Circular 02/07 'Tenancy Management: Eligibility and Evictions'**. This Circular states that housing associations should act to prevent homelessness occurring in the first instance. "During the lifetime of the tenancy housing associations should act to support and sustain rather than terminate a tenancy: **early intervention is essential.**" It also states that:

- at tenancy sign up, tenants should be offered advice and help with housing benefit claims and access to a benefits maximisation service.
- associations should make every effort at tenancy sign up to identify the full range of tenants needs and support packages provide as appropriate.
- associations that use assured shorthold as starter tenancies should do so as part of a managed strategy for dealing with ASB either:
  - \* across their whole stock
  - \* across their stock in a local authority area; or
  - \* in defined streets or estates.

S14 (2) of the Anti Social Behaviour Act 2003 requires associations to obtain a court order before demoting an assured tenancy.

In addition there is a wealth of information from the Audit Commission within the KLOE framework on dealing with anti-social behaviour. It also states that for organisations delivering an excellent service they should "where appropriate, have evaluated the need for an introductory or starter tenancy scheme for new residents in their local context and can clearly demonstrate the effectiveness of its approach":

## **Interpreting this regulation and guidance**

The most important message from the Corporation's guidance is that the probationary period be used as a tool to help tenants sustain their tenancy so that issues of ASB do not arise in the first place. It is seen to be vital that intervention to support tenants is offered at the earliest opportunity and that this includes key areas like HB and tenancy management but also individual support and signposting to more wide ranging services. However it is also vital that RSLs develop comprehensive strategies to tackling ASB to ensure that communities thrive and prosper. Starter tenancies are one such tool to be used in an ASB strategy.

## Things to consider when developing your policy/procedures:

Be clear on:

- why a starter tenancy policy is being considered. You should be able to evidence the need for the policy through data analysis and resident consultation. The aims should be clearly stated so their impact can be measured.
- the consultation with your residents and local authority partners - to discuss the wider strategic drive behind their introduction and the principles of the scheme to get their input. Ensure the Housing Corporation is informed.
- the legal and regulatory framework – so your policy and procedure comply.
- where starter tenancies will be used – for smaller geographical areas, a specific housing development or across the whole stock – and for all types of tenancy breach or will rent arrears be excluded?
- the support that can be offered to tenants and when this will be available – both internal and external support/signposting. The responsibility/expectation around tenants access to services.
- who has responsibility for delivering this service within the organisation – are they are properly trained and skilled. What other resources could be called upon? Who will manage this process. How will its operation be fed into the management structures.
- the visit patterns and visit milestones – setting out clearly the nature and scope of the visit. Agree standard documentation.
- how will you effectively communicate the requirements around the conditions of tenancy to all new tenants.
- what constitutes a breach of tenancy and what should be the appropriate action taken.
- the process for action where a continuing breach occurs.
- the process for making the decision not to confirm a tenancy and the sign off required.
- the legal process and steps required to take back possession of property.
- the review/appeals process
- links to the local authority at the earliest stage where a tenancy is being questioned so that joint support and future planning can be undertaken.
- how you plan to monitor and record actions and progress at an operational and management level especially around impact on tenancy sustainment.
- how you will review the starter tenancy policy. A review of the impact of policies should be reported at least every three years to the association's Board to decide whether they should continue.
- will they be used with local lettings policies and specific neighbourhood agreements.

There are some excellent policy and practice examples around – so don't reinvent the wheel – come to us in the Homelessness Action Team and we can link you together.

## Information Sharing Protocol

In consulting with your local authority partners you may wish to begin discussions about introducing the Access to Housing - Information Sharing Protocol to assist you in the delivery of a more tailored services for tenants referred to the association at the earliest stage.

## Using data

It is very important to ensure that you monitor the impact of starter tenancies including the impact on your evictions levels and ASB. You should keep quality data on all tenancies that are not successful to see if there are patterns.

Indicators could include:

- Levels of ASB as a % of stock in an area
- Number of starter tenancies granted
- Number of tenancy conversions
- Number of starter tenancy extensions
- Number of tenancy failures
- Number of appeals
- Households accessing support services
- Numbers of evictions and reasons

## Tips to get started

You may find the checklist below as a helpful starting point when considering implementing starter tenancies.

Once you have spoken to the Housing Corporation and consulted with your tenants and local authority partner, you need to:

- Draft a starter tenancy agreement
- Develop procedures and documentation, and build in to your existing ASB procedure
- Set up an internal appeals/review process to hear tenant's appeals coming from decisions to terminate starter tenancies.

Drafting starter tenancy agreements:

- Don't include rights that are not required to be given
- Consider whether to terminate on the basis of arrears
- Use plain English
- Check the robustness of your agreement
- Follow the style of your existing tenancy agreements (unless they are out of date)

Drafting starter tenancy procedures:

- Keep it short and simple
- Always keep in mind the 12 month time limit when fixing timetables and next actions
- Build in early and late stage starter tenancy visits which look at the full range of "support" services that are available both in the locality but also through national schemes.
- Include a standard s21 notice/Notice Requiring Possession
- Explain the rules for the service of s21 notice carefully
- Set out general criteria for termination.

Creating an appeals/review process:

- Build on what you already have in place
- Decide your appeal structure - Senior Officers, Board members etc
- Consider if tenant board members want to sit on appeals
- Provide training to prospective panel members; run a mock panel
- Create standard paperwork and decision letters, with the ability to tailor where necessary

16th July 2008

## How the HAT can help

- Speaking at events to raise awareness and to facilitate discussions between organisations. The HAT has a range of presentations covering different issues and can develop locally targeted presentations.
- Analysing data and assisting others to use the data available.
- Providing examples of approaches used by other organisations.
- Attending regional and sub-regional forums to assist discussions, providing examples of good practice.
- Practical support and advice on the use of starter tenancies

## Contact us

The Homelessness Action Team is here to help you to review your services and implement changes to respond. Please contact us if you would like to discuss this briefing, if you have views on what should be included or if you have examples that may be useful to others.

Mark Meehan mark.meehan@housingcorp.gsx.gov.uk 07721 375104	Gerald Wild gerald.wild@housingcorp.gsx.gov.uk 07971 667119
Madeleine Jeffery madeleine.jeffery@housingcorp.gsx.gov.uk 07798 588752	Nick Sedgwick nick.sedgwick@housingcorp.gsx.gov.uk 07919 394910
Dave Anteh dave.anteh@housingcorp.gsx.gov.uk 07920 781254	